

DRAFT

Finding of No Significant Impact
Privatization of Army Lodging Program
Fort Huachuca, Arizona

Pursuant to the Council on Environmental Quality (CEQ) Regulations (Title 40 of the *Code of Federal Regulations* [CFR] Parts 1500–1508) for implementing the procedural provisions of the National Environmental Policy Act (Title 42 of the *United States Code* 4321 *et seq.*) and 32 CFR Part 651 (Environmental Analysis of Army Actions), Fort Huachuca, conducted an environmental assessment (EA) of the potential environmental and socioeconomic effects associated with executing a lease at Fort Huachuca under the Army’s Privatization of Army Lodging (PAL) program.

Proposed Action

The Army proposes to transfer ownership and operation of its transient lodging facilities to a private-sector development company. Under the proposed action, the Army would direct the implementation of the Lodging Development Management Plan, lease, and supporting agreements negotiated with and approved by the Office of the Assistant Secretary of the Army for Installations and Environment. The Army would convey specified lodging facilities and lease the underlying land to its selected development partner, Actus Lend Lease (Actus). Actus has formed a special-purpose entity, Rest Easy, LLC (Rest Easy) to execute the lease with Army as lessor and Rest Easy as lessee. Actus would redevelop the lodging facilities, and InterContinental Hotels Group, its contracted hotelier, would manage the lodging operations. The Army would grant a 5-year lease of the land underlying the existing facilities and a 50-year lease of other land for constructing a new lodging facility. Rest Easy would be expected to meet Fort Huachuca’s lodging requirements through renovating and operating currently inadequate facilities and constructing new ones.

Implementing the PAL program at Fort Huachuca would result in the short-term conveyance of seven facilities on 11.53 acres, and a long-term conveyance of an unimproved 14.29-acre area; renovation of the existing facilities for short-term use; construction of a new 519-room hotel; and the subsequent demolition (or return in the case of historic properties) of the short-term use facilities that have renovated. This would ultimately increase the on-post transient lodging by 235 units. The proposed action would improve the quality of life for Soldiers, their families, and other personnel eligible to use Army transient lodging. The initial development period would occur over about 5 years beginning in 2011.

Purpose and Need

The purpose of the proposed action is to transfer ownership and operation of transient lodging to the private sector. The proposed action is needed to provide affordable on-post, quality transient lodging facilities to Soldiers and their families through a combination of new facilities and improvements to existing facilities to ensure that they meet current commercial standards for mid-scale hotels.

Alternatives Considered

The alternative to the proposed action that was considered is reliance on the off-post lodging market. In lieu of privatizing the function, the Army could exit the lodging business, resulting in patrons’ reliance on off-post hotels and motels for similar services. The use of off-post lodging, however, would lengthen Soldiers’ workdays because of increased commuting time and increased transportation costs. In some instances, Soldiers would encounter shortages of lodging in adjacent communities. Terminating the Army’s lodging program at Fort Huachuca would result in abandoning 10 buildings that have a total of 284 lodging rooms. The combination of the buildings standing idle until alternative uses could be determined and the time needed to achieve such uses would contravene the Army’s policy to manage its

resources to their optimal potential. For those reasons, the off-post lodging market alternative is not feasible and is not evaluated in detail in this EA. As prescribed by the CEQ regulations, the EA also evaluates the No Action Alternative, under which the Army would not implement the PAL program at Fort Huachuca.

Factors Considered in Determining that No Environmental Impact Statement is Required

The EA, which is attached hereto and incorporated by reference into this Finding of No Significant Impact (FNSI), examines the potential effects of the proposed action and the No Action Alternative on the following resource areas and areas of environmental and socioeconomic concern: land use, aesthetic and visual resources, air quality, noise, geology and soils, water resources, biological resources, cultural resources, socioeconomics (including environmental justice and protection of children), transportation, utilities, and hazardous and toxic materials.

Implementing the Preferred Alternative would result in a combination of minor adverse and minor beneficial effects. Short-term minor adverse effects on aesthetics and visual resources, air quality, noise, soils, water resources, biological resources, transportation, utilities, and hazardous and toxic materials are expected, primarily associated with demolition, construction, and renovation activities. Long-term minor adverse effects are expected on air quality, and traffic/transportation. Short-term minor beneficial effects on the local economy are expected from expenditures and employment associated with lodging renovation and construction. Long-term minor beneficial effects on aesthetic and visual resources, socioeconomics (quality of life) are expected from the overall improved quality of the lodging. Long-term minor beneficial effects on utilities and hazardous materials are expected from the overall upgrade of utility services and from removing or encapsulating hazardous materials.

No mitigation measures were identified in the EA and the project would have a very minor contribution to cumulative effects within the region.

Public Review

The EA and draft FNSI are available for review and comment for 30 days, beginning on publication of a notice of availability in the Sierra Vista Herald. An electronic copy of the EA and draft FNSI is available online: <http://www.huachuca.army.mil>. Copies of the EA and draft FNSI can be obtained by contacting Todd Braswell, Lodging Manager, Fort Huachuca, Arizona 85613-7010; at (520) 538-0581, or by e-mail request to todd.braswell@us.army.mil. Copies of the EA and draft FNSI are available for review at the Public Affairs Office. The documents are also available at the Sierra Vista Public Library. Comments on the EA and draft FNSI should be submitted to Todd Braswell no later than the end of the 30-day review period.

Conclusions

On the basis of the EA, it has been determined that implementing the proposed action would have no significant adverse effects on the quality of human life or the natural environment. Preparation of an environmental impact statement is not required before implementing the proposed action.

Approval Authority

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